

Senate State and Local Government Committee 1

Amendment No. 1 to SB2265

**Yager
Signature of Sponsor**

AMEND Senate Bill No. 2265*

House Bill No. 2240

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 57-4-102(6), is amended by adding the language “or restaurant” before the semicolon (;) at the end of subdivision (A).

SECTION 2. Tennessee Code Annotated, Section 57-4-102(20)(A), is amended by deleting the language “seventy-five (75)” and substituting instead the language “fifty (50)”.

SECTION 3. Tennessee Code Annotated, Section 57-4-102(29), is amended by deleting subdivision (E).

SECTION 4. Tennessee Code Annotated, Section 57-4-102(38)(H), is amended by deleting subdivision (v).

SECTION 5. Tennessee Code Annotated, Section 57-4-102(38) is amended by adding the language “or designated area” after the language “facility” wherever it appears.

SECTION 6. Tennessee Code Annotated, Section 57-4-203(e)(2) is amended by adding the language “up to” before the language “four (4) seven hundred fifty millimeter”.

SECTION 7. Tennessee Code Annotated, Section 57-3-202, is amended by adding the following as a new subsection (g) and by redesignating the current subsection (g) and all subsequent subsections accordingly:

(g) Notwithstanding subsection (f), an establishment licensed to sell alcoholic beverages for on-premises consumption pursuant to chapter 4, part 1 of this title, may, without a manufacturer’s license, produce, store and sell infused products pursuant to Section 9 of this act.

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SECTION 8. Tennessee Code Annotated, Section 57-4-102(1), is amended by deleting the second sentence in the subdivision in its entirety and by substituting instead the following:

Notwithstanding any provision to the contrary in this title, "alcoholic beverage" or "beverage" also includes any product containing distilled alcohol capable of being consumed by a human being manufactured or made with distilled alcohol irrespective of alcoholic content, including any infused product;

SECTION 9. Tennessee Code Annotated, Title 57, Chapter 4, Part 1, is amended by adding the following as a new section:

57-4-1__.

(a) As used in this title, "infusion" or "infused product" means any product created from the combining or mixing of an alcoholic beverage with nonalcoholic products or material over a sustained period of time and at the time of the combination or mixing, the combination or mixture is not intended for immediate consumption.

(b) Notwithstanding any law to the contrary, an establishment licensed to sell alcoholic beverages for on-premises consumption pursuant to this part may produce, store and sell infusions pursuant to this section. The commission may promulgate rules and regulations regarding the production, storage, and sale of infusions by any licensee in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

(c) Any retail licensee intending to produce, store or sell infusions shall provide written notification to the commission of the licensee's intent to do so either in its initial application for a license with the commission or on its annual renewal application.

(d) All alcoholic beverages used in the production of an infusion must have been purchased from a licensed wholesaler.

(e) A batch of infused product must be:

(1) Infused, stored, and consumed on the licensed premises;

(2) Disposed of within two hundred forty (240) hours after the infusion had been produced; and

(3) Stored in a labeled container that is compliant with state and federal food safety statutes, federal alcohol regulations, the Tennessee Consumer Protection Act of 1977, compiled in title 47, chapter 18, part 1 and Rule 100-11-.03.

(f) A batch of infused product may not:

(1)

(A) Contain any added stimulant, drug, or illegal substance;

(B) For purposes of subdivision (f)(1), "added stimulant" means any stimulant used in the production of the infusion that is not naturally contained in any food product or beverage used in the production of the infusion;

(C) For purposes of subdivision (f)(1), "stimulant" includes, but is not limited to, caffeine, guarana, ginseng, and taurine and any product or beverage which includes stimulants that are not naturally included in the product or beverage, including, but not limited to, energy drinks;

(2) Be removed or transported from the licensed premises;

(3) Be infused, stored, or dispensed from an original package of liquor or wine, or a container bearing an alcoholic beverage name brand; or

(4) Be added to a relabeled empty container or another batch if the batch is expired.

(g)

(1) A label is required to be on each container that holds a batch of infused product, including any container, device or machine used to dispense an infusion. The label must adhere to the container, in a noticeable place, until the entire contents are dispensed or destroyed. The label must legibly identify:

(A) The date and time of infusion of the alcoholic beverages with nonalcoholic ingredients in the container;

(B) The date and time the batch expire;

(C) The recipe title and a description of the name and amount of each ingredient used in the infusion;

(D) The size of the batch; and

(E) The person who prepared the batch.

(2) Each label must be marked clearly with the words "CONTAINS ALCOHOL."

SECTION 10. This act shall take effect upon becoming a law, the public welfare requiring it.